InterTrust Ref. No.: IT-41.1 (US)

REMARKS / ARGUMENTS

By this Amendment, Applicants respond to the Office Action dated September 23, 2004 ("OA"), in which claims 1-10 were rejected. Claims 1, 4, and 10 have been amended, and new claims 11-20 have been added. Accordingly, claims 1-20 are now pending. Authorization is hereby given to charge any fees (e.g., extension fees) associated with this response to our deposit account 06-0916.

In the Office Action, the Examiner rejected claims 1-10 under 35 U.S.C. § 102(b) as unpatentable over U.S. Patent No. 6,035,037 to Chaney ("Chaney"). Applicants address this rejection below.

Rejection of Claims 1-10 under 35 U.S.C. § 102(b)

Claims 1-10 stand rejected under 35 U.S.C. § 102(b) as unpatentable over Chaney. Amended claim 1 recites a system for managing the use of electronic content. The system includes an electronic appliance for (i) receiving encoded content and encoded control information, the encoded control information specifying, at least in part, how a decoded version of the encoded content may be used, and (ii) rendering the encoded content and the encoded control information through an output of the electronic appliance. In addition, amended claim 1 recites a retrofitting appliance for (i) accepting encoded content and encoded control information from the output of the electronic appliance, (ii) decoding, at least in part, the encoded control information to obtain a decoded version of the encoded control information, and (iii) using the decoded control

InterTrust Ref. No.: IT-41.1 (US)

information to at least in part govern the use of decoded content corresponding to the encoded content. Amended claim 1 further recites an output device connected to an output of the retrofitting appliance for presenting decoded content to a user of the electronic appliance.

Applicants respectfully submit that claim 1 is not anticipated by Chaney. In particular, Applicants respectfully submit that Chaney does not disclose, *interalia*, a retrofitting appliance as claimed by Applicants. In fact, Applicants respectfully submit that the Examiner has failed to address the specific limitation of the retrofitting appliance.

Instead, the cited portion of Chaney simply indicates that EMM and ECM data may be encrypted. See OA page 3, citing Chaney column 7, lines 16-17. The cited portion of Chaney in no way describes a retrofitting appliance for accepting encoded content and control information from the output of an electronic appliance, decoding, at least in part, the encoded control information, and using the decoded control information to at least in part govern the use of the decoded content as claimed by Applicants. Although Chaney describes production of video and audio signals "suitable for coupling to output devices such as a kinescope and a loudspeaker" (see, e.g., Chaney at col. 2, lines 18-19; and col. 6, lines 30-34), there is no indication that these signals are subsequently processed further by a retrofitting appliance in the manner claimed by Applicants.

Claim 2 is dependent from claim 1, and is thus allowable for at least the reasons set forth above in connection with claim 1.

PATENT Customer No. 22,852 Attorney Docket No. 7451.0038-00 InterTrust Ref. No.: IT-41.1 (US)

Appln. No. 09/885,415 Amdt. dated Mar. 23, 2005 Reply to Office Action dated Sept. 23, 2004

Similarly, claim 3 recites a method for managing the use of electronic content. The method includes receiving encoded electronic content and encoded control information at a first electronic appliance, the encoded electronic content and encoded control information forming part of a data signal encoded in a rendering format supported by the first electronic appliance; rendering the encoded electronic content and encoded control information through the output of the first electronic appliance; receiving the rendered electronic content and control information at a second electronic appliance; decoding the rendered electronic content and control information; using the decoded electronic content and decoded control information; using the decoded control information to determine whether or not to permit at least one use of the decoded electronic content; and transmitting the decoded electronic content to an output device if the at least one use is permitted.

Applicants respectfully submit that claim 3 is not anticipated by Chaney. In particular, Applicants respectfully submit that Chaney does not disclose, *inter alia*, rendering the encoded electronic content and encoded control information through the output of the first electronic appliance; receiving the rendered electronic content and control information at a second electronic appliance; and decoding the rendered electronic content and control information to recover decoded electronic content and decoded control information as claimed by Applicants.

Instead, as understood, the cited portions of Chaney describe (a) the use of a tuner to select between channels, and the use of a microcontroller to perform error correction and analog-to-digital conversion on a received signal (see, e.g., OA at pages 3 and 4, citing Chaney col. 4, lines 34-38 and 42-49), and (b) the use of a key to descramble a video or audio signal (see, e.g., OA at page 4, citing Chaney col. 2, lines 12-14). Applicants respectfully submits that Chaney does not teach rendering encoded electronic content and encoded control information through the output of a first electronic appliance, receiving the rendered content at a second appliance, and then decoding the content before transmitting it to an output device. Although Chaney describes production of video and audio signals "suitable for coupling to output devices such as a kinescope and a loudspeaker" (see, e.g., Chaney at col. 2, lines 18-19; and col. 6, lines 30-34), there is no indication that these signals are subsequently received by a second electronic appliance and decoded before being sent to an output device in the manner claimed by Applicants.

Claims 4-10 are dependent from claim 3, and are thus allowable for at least the reasons set forth above in connection with claim 3.

Amended Claims 1, 4, and 10

Claims 1, 4, and 10 have been amended for the sake of clarity and to correct various typographical errors. In light of the foregoing arguments, it should be appreciated that these amendments have not been made for purposes of patentability.

PATENT

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Attorney Docket No. 7451.0038-00 InterTrust Ref. No.: IT-41.1 (US)

Appln. No. 09/885,415 Amdt. dated Mar. 23, 2005 Reply to Office Action dated Sept. 23, 2004

New Claims 11-20

New Claims 11-20 have been added to round out the scope of protection for Applicants' invention. Each of claims 11-20 is supported by the specification text and/or drawings as initially filed and no new matter has been added.

CONCLUSION

In view of the foregoing remarks, Applicants respectfully request that the Examiner enter this Amendment and pass the pending claims to issuance. Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: March 23, 2005

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